



City of Blaine Anoka County, Minnesota

Blaine City Hall
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Legislation Text

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WORKSHOP ITEM *Erik Thorvig, Economic Development Coordinator*

DISCUSS POTENTIAL PURCHASE OF 1409 105th AVENUE NE

The property at 1409 105th Avenue is currently for sale. For the past year the current owner was attempting a redevelopment project which would have included the subject property, along with the vacant lot to the north and the property at 1491 105th Avenue (Mark's Welding). The project likely would have required EDA assistance for demolition and acquisition. Unfortunately, the owner was not able to put a project together and therefore has listed the property for sale. The sales brochure is attached for reference. The current asking price is \$350,000. Anoka County tax records value the property at \$172,400 and the property was purchased on December 22, 2015 for \$228,500. Staff has not negotiated a sale price however feel it would be between the previous sale price and current asking price.

The 3,500 sf. building was built in 1973. The property has a current tenant that has a short-term lease. The property is zoned I-2 Heavy Industrial. Staff has received phone calls from perspective buyers interested in using the property for auto sales (not permitted) and auto repair (permitted use). The corner of 105th and Highway 65 is identified as a priority redevelopment area in the 2040 Comprehensive Plan (see attached maps). Strategy for the area includes "Opportunities to acquire any of the buildings from willing sellers should be explored if they come up". Given the improvements to 105th Avenue and other activity in the area, this is a prime gateway to the National Sports Center and adjacent commercial areas. In addition, staff is concerned that the property may be purchased by someone that would use the property in a manner not consistent with the future vision of the corner though permitted by zoning.

If the property is acquired, the EDA could explore the option of a continuing to lease the property to the current tenant or just terminate the lease and clear the property. Regardless, the EDA would hold the property until a larger redevelopment is proposed that would include multiple parcels on the corner.

Funds for the purchase would come from existing pooled TIF. Current financial projections indicate about \$1.8mil available for non-identified projects such as this.

Provide direction to staff about negotiating a purchase for the property. If direction is given to

proceed, an EDA resolution to purchase the property would be presented at the August 16th, 2018 EDA meeting.